

Attaining Higher Levels of Recycling Market Development Through Product Stewardship

2001 JTR Recycling Market Development Roundtable

Introduction

The purpose of this paper is to provide a summary of the discussion that occurred on the subject of ‘Product Stewardship’ that occurred at the 2001 JTR Recycling Market Development Roundtable. The discussion focused on how product stewardship efforts have become a key component of U.S. recycling policy and what product stewardship means for state recycling market development efforts.

Current Situation

Product stewardship, also known as extended product responsibility, is the concept that all who make, use, and dispose of products share responsibility for reducing the environmental impacts of those products. Across the country, government at the Federal, state, and local levels have incorporated product stewardship into their solid waste policy and program development. In particular, multi-state product stewardship efforts have emerged for a number of materials that currently lack an effective reuse and recycling infrastructure, including carpet and electronic products.

Summary of Existing Initiatives

State	Activity	Opportunities for Other States
Minnesota	<p>Through a multi-stakeholder process, issued several policy recommendations related to product stewardship in 1999. As a result of this process, decided to focus on three commodity areas and convened a task force for each: carpet, electronics (with cathode ray tubes), and paint. Task forces explored how to encourage manufacturers to assume greater responsibility for their products in each industry.</p> <p><i>Carpet.</i> Working in conjunction with seven other states through the Midwestern Workgroup to negotiate strategies with the carpet industry to increase carpet recycling and reuse.</p> <p><i>Electronics.</i> Participating in the National Electronics Product Stewardship Initiative with EPA and 11 states through April 2002.</p> <p><i>Paint.</i> Exploring partnerships with other states, including California and Massachusetts, to increase used paint recovery.</p> <p><i>Other.</i> Engaged in an ongoing initiative to explore product stewardship opportunities with mercury-containing products such as thermometers.</p>	<p>Invited states to join Minnesota’s efforts with seven other states working with the carpet industry to promote product stewardship, although funding to support state participation is limited. In particular, the Midwestern Workgroup is exploring how to develop a national collection and processing infrastructure for carpet recycling. The Workgroup is also trying to identify the best model for its partnership with industry. They are considering several different policy options including whether to incorporate product stewardship into state solid waste plans based on models in Oregon and Washington.</p>

State	Activity	Opportunities for Other States
Best Buy Electronics Collection Project	<p>Best Buy has set a goal to establish an electronics recovery option at each of its 491 stores in 41 states in the next 3 to 4 years. The company envisions a 2-day event for the general public, collecting “anything with a chord.” Best Buy intends to share the results and lessons learned from this project to help facilitate increased electronics recycling. The project will be broken into the following phases:</p> <p><i>Year 1:</i> Will hold 8 to 10 pilot collections around the country. Potential sites include Minnesota (St. Paul), Chicago, New Jersey, Florida, Austin, Los Angeles, Portland, Seattle, and somewhere in EPA Region 3. The pilots will test different strategies related to advertising/promotion, logistics, and fee structures to help identify the best approach for future collections.</p> <p><i>Year 2:</i> Will double or triple the number of events.</p> <p><i>Year 3:</i> Will implement the program nationwide.</p> <p><i>Year 4:</i> Will offer the program in every market the company serves.</p> <p>Best Buy has committed to the project because they recognize the opportunity to build their own brand, raise environmental awareness, and drive people to their stores. Best Buy is currently trying to partner with original equipment manufacturers; to date, one partner, Panasonic, has signed on.</p> <p>Best Buy is still determining how the collected materials will be handled, whether through local, regional, or national contracts.</p>	Educate citizens about the project and collection opportunities and help plan the events. Best Buy is not asking for funding, but will take advantage of grant funding if it is available.
Product Stewardship Institute	An effort to serve as a coordinating entity for state governments around product stewardship. The Institute strives to build coherent, consensus-based expectations for a product stewardship program.	Work with the Institute to identify opportunities to partner with other states and collectively influence the product chain.

State	Activity	Opportunities for Other States
EPA	<p>EPA's Product Stewardship Initiative evolved out of the agency's climate protection and waste reduction programs to demonstrate the climate benefits of product stewardship and to examine the lifecycle of products. To date, the initiative has targeted packaging, electronics, batteries, vehicles, carpet, and tires. Currently, it is focused on electronics and carpet.</p> <p>EPA works through voluntary partnerships with states and industry since it has no regulatory authority in this area. By coordinating a national approach, it helps states avoid offering different, conflicting programs and requirements.</p>	Participate in the national electronics and carpet recycling dialogue. In EPA Region 9 & 10, product stewardship is part of the annual solicitation for market development, with a focus on electronics. Efforts support the Northwest Product Stewardship Council.
BEAR	A new organization working to increase recovery of beverage containers, with an initial focus on PET containers. Spearheaded by businesses and non-profits initially, BEAR now includes government agencies. Recently hired R.W. Beck and the Tellus Institute to compile available research on beverage container recovery as an initial step to research the relevant issues and how to increase PET plastics recovery. Will then work towards a negotiated agreement with industry.	State agencies are invited to participate in the organization.
EPA Region 5 States	Working with the foundry industry to add value to industry-led efforts to divert waste, reduce costs, and improve environmental performance.	State agencies in the region are invited to participate.
Rechargeable Battery Recycling Corporation	In the 1990s, battery manufacturers initiated a nationwide used battery collection program. Working with a network of hardware and other consumer products stores, the program collects used nickel-cadmium (NiCd) batteries and processes the recovered materials into new batteries. It was the first nationwide takeback program that involved an entire U.S industry.	Partner with the RBRC to promote the program.

State	Activity	Opportunities for Other States
North Carolina	<p>In the early 1990s, the <i>News & Observer</i>, a newspaper in the state, began a collection program for its newsprint. It now services customers throughout eastern North Carolina. The newspaper invested in collection trucks and drop off collection bins in schools. The newspaper even worked to produce and market an animal bedding product from the collected newsprint.</p> <p>In the mid- to late-1990s, the state funded grants to recycling companies for start-up activities and feedstock conversion. One company, a manufacturer of die tubes, agreed to take back its used die tubes and experimented with incorporating the processed material back into its product.</p>	N/A
Newspaper Publishers	In the late 1980s, newspaper publishers in the Northeast made voluntary agreements to purchase recycled content newspaper. This provided a significant demand for recovered paper and helped spur investment in recovered paper mills in the region.	N/A
San Francisco	Coordinated a recycling project with newspaper publishers as a way to boost subscriptions.	N/A
Toxics and Packaging Clearinghouse	Formerly a part of the Coalition of Northeastern Governors (CONEG), this effort assisted in removing toxic materials from household products.	

In addition, the following organizations are also working on product stewardship: INFORM, Institute for Local Self Reliance, GRRN, and the University of Tennessee Center for Clean Products. In addition, the NRC may create a center to provide technical assistance to companies interested in product stewardship.

Product Stewardship Models

The group discussed a typical model for how product stewardship initiatives are formed and implemented in the United States. The process is as follows:

- Identify the problem.
- Lead organization establishes credibility.
- Identify targeted industry/product/groups.

Form task force/agree on principles.
Study/document options.
Negotiate agreements.
Implement solutions.
Monitor and refine programs.

Future Directions and Opportunities

One participant noted that this type of consensus-building process ensures that all stakeholders have a role in the process. The drawback, however, is that it tends to be slow. The carpet industry efforts are an example of how it takes time to implement these programs, although the pace has accelerated recently.

The group debated whether product stewardship is driven by manufacturers' concerns or consumer demand. One participant noted that efforts are more successful when consumers drive the process and decisions are made based on market research. Others noted that it depends on how you define "consumer"; for example, distributors such as Best Buy are important consumers.

The group also debated whether to focus on the full lifecycle of a product since many product stewardship efforts only focus on end-of-life. One participant commented that from a practical perspective, lifecycle studies tend to be too complicated; often, by the time the results are ready, the marketplace has changed. In contrast, a focus on end-of-life is more tangible and provides a fundamental incentive to reduce waste. One of the themes of the Plastic ReDesign Project is that manufacturers are the primary driver and can have a tremendous influence on the whole supply chain by taking a leadership role.

Enhancing Credibility of Lead Organizations

The group brainstormed ideas for how organizations working in this area can enhance their credibility:

Work together as a coalition of organizations - there is strength in numbers.
Coordinate with the Product Stewardship Institute.
Secure EPA support which lends national credibility.
Secure recognition from Governors.
Enact disposal bans and set a legislative precedent for change.
Create a patchwork of legislation or simply a threat of possible legislation to motivate action.
Create an environment where states can work together such as a multi-stakeholder task force.
Leverage consumer demand or the economic opportunities for industry.
Work on an industry's issues first to build trust and credibility; then raise product stewardship as an option to consider.

Criteria for Targeting Industries/Products/Groups

The group recommended using the following criteria to target materials on which to focus:

- Comprise a large percentage of the waste stream.
- Products that pose an environmental threat (e.g., hazardous component).
- Represent a product stream with industry interest.
- Receiving public or government attention.
- Already being targeted by other countries.
- Material with a low diversion rate.
- Consumer products (e.g., automobiles, household appliances).

Next Steps

The group identified the following potential next steps for product stewardship in the United States:

- Pursue large corporate operations such as Best Buy to take advantage of the economies of scale.
- Explore a partnership with the Buy Recycled Business Alliance of the National Recycling Coalition.
- Focus on mercury-containing products and auto parts to leverage supplier relationships (as is occurring in the paint and carpet industries).
- Publicize the negative impacts of one-use disposable products.
- Improve state-to-state coordination so that states more often work on the same products to maximize efforts.
- Reward “good actors” for their efforts.
- Encourage stakeholder dialogue to facilitate product stewardship in targeted industries.
- Leverage the power of states as consumers.
- Develop an EPA “Agenda for Product Stewardship” with specific criteria for selecting commodity areas on which to focus.

Web Sites

Organizations

U.S. EPA Product Stewardship web site

<http://www.epa.gov/epr/>

Northwest Product Stewardship Council

<http://www.productstewardship.net/>

Minnesota Office of Environmental Assistance (MOEA)

<http://www.moea.state.mn.us/policy/productstewardship.cfm>

Product Stewardship Institute

http://www.turi.org/product_stewardship/index.html

Projects

Midwestern Workgroup on Carpet Recycling

<http://www.moea.state.mn.us/policy/carpet/index.cfm>

National Electronics Product Stewardship Initiative

<http://eercut.utk.edu/clean/nepsi/>

Businesses and Environmentalists Allied for Recycling (BEAR)

www.globalgreen.org/programs/B.E.A.R.html